# GOVERNMENT OF INDIA
# LABOUR AND EMPLOYMENT
# LOK SABHA

UNSTARRED QUESTION NO:2480
ANSWERED ON:14.12.2015
Labour Reforms
Chandrappa Shri B.N.

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

(a)whether a high powered expert committee under the NITI Aayog has submitted its recommendations for labour reforms to promote innovation and entrepreneurship and also to create more job opportunities particularly in the industrial sector;
(b)if so, the details of the recommendations along with the reaction
of the Government thereto;
(c)whether the Government has taken steps to incorporate the said recommendations;
(d)if so, the details thereof and the mechanism through which the said
suggestions are likely to be implemented; and
(e)if not, the reasons therefor?

## Answer

MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT
(SHRI BANDARU DATTATREYA)

(a) & (b): As a follow up of the Budget announcements, 2015-16 regarding the Government's intension to establish the Atal Innovation Mission (AIM) in NITI Aayog and establishment of Self Employment and Talent Utilisation (SETU), NITI Aayog constituted an Expert Committee under the Chairmanship of Prof. Tarun Khanna, Director, South Aisa Institute, Harvard University, USA to workout detailed contours of the AIM & SETU.The Expert Committee, in its report submitted in October, 2015 has recommended the following in respect of Labour Market Reforms"
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â€¢ The central government should implement the 3 employee choices for pensions and health insurance announced in the Union Budget 2015-16.
â€¢ Complete consolidation of 44 central labour laws into 4 labour codes.
â€¢ Create an employer choice of complying under Factories Act or Shops and Establishments Act for all nonhazardous enterprises.
â€¢ Amend the Trade Unions Act to make them more representative, and amend the act to reduce if not remove the role of outsiders because the politicisation of trade unions is toxic for the Make in India campaign.
â€¢ Set a deadline for all central government labour approvals to be live on a single online portal with a 90 day deadline.
â€¢ Encourage states to use Article 254 (2) of the constitution to amend labour laws.

(c) to (e): Government has already taken a number of initiatives for governance reforms as well as legislative reforms. The Second National Commission on Labour has recommended that the existing Labour Laws should be broadly grouped into four or five Labour Codes on functional basis. Accordingly, the Ministry has taken steps for drafting four Labour Codes on Wages; Industrial Relations; Social Security & Welfare; and Safety and Working Conditions respectively, by simplifying, amalgamating and rationalizing the relevant provisions of the Central Labour Laws. Ministry has also initiated process of drafting a Small Factories Bill for regulating the working and service conditions of small manufacturing units employing less than 40 workers. Also the Government has launched Shram Suvidha Portal on 16thOctober, 2014. The main features of this portal are:
â€¢ Allotment of Unique Labour Identification Number (LIN) to Units.
â€¢ Filing of self-certified and simplified Single Online Common Annual Return by the establishments.
â€¢ Transparent Labour Inspection Scheme.

These reforms will help in catalyzing the creation of employment opportunities in the country, without diluting basic aspects of safety, security and health of workers.

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